

February 7, 1974

Whatever is left after the mill levy is deducted from the assumed need is roughly the equalization aid. This bill increased the mill levy penalty from 12 mills up to either 20 or 22 mills. So the deductions from the assumed need will be greater than in the present law. Now the fourth major reason why this bill in my judgement is not satisfactory, is because the public does not understand this bill. Even the school board members do not understand this bill. The news report on what this State Aid bill will do for some reason do not tell the people exactly what this bill does. And obviously you can't blame the news reporters because they are telling what the components of the bill want said. Now for example, I attended a State School Board meeting in Lincoln last fall. The School Board Association Members passed a resolution to re-affirm their previous year's stand to support a bill similar to LB 472 which was the one we had during this last session of the Legislature, whereby the state would pay approximately 50% of the operational costs of the schools. Now, Senator Warner has just said in his statement today that it would be about 45%. Now after the vote was taken by these members of the school board, I asked several of them just what did that mean? And each of them said that means that the state would pay about 50% of their school district's operating costs. I asked the question, does it also mean that the state would pay 50% of the operational costs of the school in each school district. And the answer was yes. I replied that I had a school in my district that had received as low as 10% of their operational costs. I had K-12 schools that had received from 15% to 20% of their operational costs and they were very much surprised to learn this. Now there is a section in this bill that in hardship cases, the State Board can give more money to certain schools. But in doing so, the State Board hands are tied to certain requirements. That other schools that receive the most State Aid do not necessarily have to meet. So in summarizing this bill would give an excessive amount to certain schools, thereby requiring limits on expenditures and the taking away of local control. And second, the equalization formula does not equalize tax effort, but in fact creates greater inequality in many cases. And third, the equalization formula encourages County Assessors and County Commissioners to keep assessed values low so their schools will get the most aid. And fourth the public is being mislead as to what this bill will do for and to them. Now there is a bill in the committee that will take care of most of these objections. But the bill has not been put on the floor. And so, it would seem to me that rather than to accept this bill, what we should do, and incidentally as near as I can determine the other bills that follow; as near as I can determine Senator Carpenter's amendment which I understand he is going to attempt to put on Select File has the same objections as this bill here does.

PRESIDENT: Thank you Senator Whitney, there is a motion on the desk.

CLERK: Mr. President, I move to amend LB 772. Strike section 11 and 24 (Signed) Senator Lewis.

SENATOR LEWIS: Mr. President and Mr. Chairman, I won't go into the swan song's of the repeat of several years and discuss limitations. I'd just say that if we want to have a full and open discussion on limitations and not include any particular State Aid Bill certainly we can send Senator Warner's bill across